

AMENDED IN ASSEMBLY SEPTEMBER 3, 2003

AMENDED IN SENATE MAY 13, 2003

AMENDED IN SENATE APRIL 28, 2003

AMENDED IN SENATE APRIL 2, 2003

SENATE BILL

No. 821

Introduced by Senator Alarcon

February 21, 2003

An act to add Chapter 5.5 (commencing with Section 66350) to Part 40 of the Education Code, relating to business ethics.

LEGISLATIVE COUNSEL'S DIGEST

SB 821, as amended, Alarcon. Business ethics : Golden State Business and Social Responsibility Award.

Existing law, known as the Donahoe Higher Education Act, sets forth the missions and functions of California's public and independent segments of higher education, and their respective institutions of higher education. Provisions of the act apply to the University of California only to the extent that the Regents of the University of California, by appropriate resolution, act to make a provision applicable. Among other things, the act identifies common educational missions shared by educational institutions in California and differentiates more specific missions and functions among the various educational segments.

This bill would require the Trustees of the California State University and the Board of Governors of the California Community Colleges, and request the Regents of the University of California and the Association of Independent California Colleges and Universities, to participate in a task force to develop a plan for integrating instruction in business

ethics into their business and business administration programs. The bill would require this task force to report to the Legislature.

The bill would establish the Golden State Business and Social Responsibility Award, which would honor students who complete graduate business programs at California's public and private institutions of higher education, and who show a commitment to socially responsible leadership. The bill would prescribe the qualifications for receipt of the award.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 5.5 (commencing with Section 66350)
2 is added to Part 40 of the Education Code, to read:

3

4 CHAPTER 5.5. BUSINESS ETHICS

5

6 66350. This chapter shall be known and may be cited as the
7 ~~Alarcon-Campbell Social Responsibility Business Graduate~~
8 *Social Responsibility Business Leadership Initiative Act of 2003.*

9 66351. The Legislature finds and declares all of the
10 following:

11 (a) Ethics in business are vital to the economic well-being of
12 the state.

13 (b) Corporate malfeasance is contrary to the long-term
14 economic viability of the state.

15 (c) California's public and private higher education institutions
16 have the opportunity to act as a catalyst in creating a new
17 generation of elite business leaders that work to create a
18 sustainable, ethical, and socially responsible global community.

19 (d) It is, therefore, the intent of the Legislature to establish
20 ~~social responsibility~~ *the Social Responsibility Business*
21 *Leadership Initiative* to prepare and inspire California business
22 graduates to apply their business skills to enhance the productivity
23 of the state, and integrate the discipline of corporate responsibility
24 into the general management core.

25 66352. The Trustees of the California State University and the
26 Board of Governors of the California Community Colleges shall
27 establish and convene a task force to develop a plan for integrating



1 instruction in business ethics into their business and business
2 administration programs. The task force shall report to the
3 Legislature, and advise whether, how, and why this integration can
4 occur. The Regents of the University of California and the
5 Association of Independent California Colleges and Universities
6 are encouraged to join the task force.

7 66353. (a) The Golden State Business and Social
8 Responsibility Award is hereby established. The award shall honor
9 students who complete graduate business programs at California's
10 public and private institutions of higher education, and show a
11 commitment to socially responsible leadership.

12 (b) A participating institution of higher education may affix the
13 seal of the Senate, the Assembly, or the Governor on the diploma
14 or transcript of a qualifying student.

15 (c) A student who meets both of the following requirements
16 shall qualify for an award:

17 (1) The completion of two ethics courses in business.

18 (2) The demonstration of a commitment to social responsibility
19 by completing a minimum of 50 hours of community service.

20 (d) Institutional participation in the Golden State Business and
21 Social Responsibility awards is voluntary. An institution of higher
22 education shall be responsible for any costs it incurs in
23 participating in the award program.

